## REMARKS

This Request to for Reconsideration is filed in response to the non-final Office action mailed on June 29, 2005 (the "Office Action"), in the above-referenced patent application. As explained in detail herein, the Applicants respectfully submit that the present claims are allowable over the prior art cited in the Office Action, and allowance thereof is respectfully requested.

## REQUEST TO REVIEW PREVIOUSLY-SUBMITTED ART DOCUMENTS

The Applicants filed an Information Disclosure Statement in the present case on January 22, 2004 enclosing a copy of Form PTO-1449 and an article from the Washington Post entitled "Credit Card Issuers Keeping a Closer Watch on How You Pay Bills." To date, the Applicants have not received an initialed copy of this Form PTO-1449, as per MPEP § 609. As such, the Applicants respectfully request review of this previously-cited reference or clarification as to the reason for any inability to do so.

## STATUS OF THE CLAIMS

Claims 21-34 are pending in the application. No claims are amended herein.

## REJECTIONS UNDER 35 U.S.C. § 102(e)

Claims 21-23, 27-30 and 34 stand rejected under 35 U.S.C. § 102(e) as allegedly being anticipated by Wallman (U.S. Pat. No. 6,601,044). Anticipation under 35 U.S.C. § 102(e) requires that "each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631 (Fed. Cir. 1987); *see also* MPEP § 2131. In the present case, the Wallman patent fails to expressly or inherently disclose the claimed features of "weighting criteria reflecting user-defined levels of importance for one or more of the quantitative search criteria," and generating search results comprising "a first set of investment funds that do not satisfy all of the user-selected quantitative search criteria, but which satisfy the overall user-defined criteria based on the

combination of the user-selected weighting criteria and the user-selected quantitative criteria," as recited in independent claims 21 and 28. For at least this reason, the rejection under 35 U.S.C. § 102(e) is respectfully traversed.

*CLAIMS 21 AND 28*

Claims 21 and 28 recite a system in which a user enters "weighting criteria reflecting user-defined levels of importance for one or more of the quantitative search criteria," and the system compares the user's search criteria to the known investment fund variables to provide "a first set of investment funds that do not satisfy all of the user-selected quantitative search criteria, but which satisfy the overall user-defined criteria based on the combination of the user-selected weighting criteria and the user-selected quantitative criteria." This invention addresses, *inter alia*, the situation in the prior art in which a user enters various search criteria for investments, yet none of the available investments meet all of the criteria. In such cases, the prior art would typically either return no results because the system would treat the failure to satisfy all criteria as grounds to exclude every potential investment from the results (a typical "screening" system), or the system would return a list of unweighted results that partially satisfy the user's requirements. Such lists would include hits that failed to meet the user's most important requirements, making the list of results essentially meaningless to the particular investor. For example, a typical list of unweighted results might simply list the investments according to the number of criteria that are met (with those matching the most criteria being at the top of the list), which fails to take into account the particular user's weighting of the criteria according to his or her subjective feelings of importance for each criterion.

*Wallman Fails to Disclose "Weighting Criteria Reflecting User-Defined Levels of Importance for One or More of the Quantitative Search Criteria"*

The Wallman patent discloses an "asset allocation model" for creating a diversified portfolio of assets. In general, the Wallman system operates by soliciting

investment goals from the investor, receiving asset selections from the inventor or selecting a group of assets, and determining whether the selected assets meet the investment goals. Wallman, col. 23, l. 21 - col. 24, l. 24. The selection of risk and investment goals is described in detail at column 29, line 50 to column 30, line 26. Here, Wallman explains that an investor can set risk-return preferences that include "volatility levels, risk, [and] required rate of returns." *Id.* col. 29, ll. 52-53. These are quantitative criteria in that they call for the investor to enter specific numerical values for each preference. *See also, id.* at Fig. 2. Wallman also allows the investor to select other preferences, such as the type of security, book-to-market numbers, price-earnings ratio, price of stock, and so on. *Id.*, col. 29, l. 58 - col. 30, l. 26. Again, these comprise quantitative criteria in that they call for numerical values (for example, Wallman discloses entering a range of capitalization levels), or binary qualities (whether or not the asset relates to business in a particular region, country, or line of business).

Despite this disclosure of various quantitative user preference criteria, Wallman **fails** to disclose "weighting criteria reflecting **user-defined levels of importance for one or more of the quantitative search criteria**." That is to say, Wallman does not disclose that the user can select which of these quantitative criteria (or "preferences," as Wallman refers to them) is **most or more important to the user**.

The Office action cites to numerous locations in Wallman to support the contention that this element is disclosed, however, none of the citations support the rejection. The first citation is to column 25, lines 22-25, which reads "... on stated preferences. In this case, the investor enters those preferences just as an investor stating with the asset allocation determination would have entered these preferences, ...." However, as explained above, the "preferences" described in Wallman are all **quantitative search criteria**, and none reflect a "user-defined level of importance of the quantitative search criteria." Similarly, the second citation is to the Abstract and lines 6-8, where Wallman states: "... based on the investor's indicated preferences, to manage the portfolio in accordance with market changes and changes in the investor's indicated

preferences, and to electronically ...." Again, as explained above, the "preferences" described in Wallman are quantitative search criteria, and none reflect a "user-defined level of **importance** of the quantitative search criteria."

The third citation is to column 20, line 42, which states that Wallman provides "Complete control for the investor over what securities can be selected, and in what weights and amounts." As will be appreciated from reading the whole Wallman specification, rather than taking this phrase out of context, this use of the term "weight" refers to the manner in which the investor allocates the **funds** to the various assets that make up the portfolio. This is clearly illustrated in the very next citation provided by the Office Action to column 25, line 56, where Wallman states that "FIG. 5 depicts an exemplary output of the selection, in which each of the forty securities are equally weighted in the portfolio **in terms of dollars invested in each security** ...." Clearly, neither of these citations illustrates or refers to anything like the claimed "weighting criteria **reflecting user-defined level of importance of the quantitative search criteria**." The next citation, to column 26, line 22 is removed from its context in the same way. This citation is embedded in paragraph that reads "One example would be dividing the total dollar amount being invested by the number of securities meeting the criteria entered by the investor and allocating an equal dollar amount or a capitalization-weighted dollar amount to each of the securities ...." Once again, the citation uses the term weighted in the context of the amount of funds (capitalization) that are placed in each of the assets in the portfolio, and says absolutely nothing about "weighting criteria reflecting user-defined level of importance of the quantitative search criteria."

The sixth citation alleged to support Wallman's disclosure of "weighting criteria reflecting user-defined level of importance of the quantitative search criteria" is to column 31, line 23. Here, it is enlightening to examine the cited line in its entire context:

> In any of these pre-packaged, analyst, group or collaborative recommendations, the investor is able to select the entire portfolio as defined, and specify the dollar amount to be

> invested as per Screen 8 (29) (or if the investor has more securities to include then the investor would continue through with the program flow, or the investor could subtract specified securities from the suggested portfolio, such as by removing any tobacco stocks from the portfolio, or by changing the weighting of the securities in the portfolio as described in the program flow Screen 7 (28) below).

*Id.*, col. 31, ll. 15-24. Notably, this citation also **fails** to illustrate or otherwise disclose that the "weighting" is done to "reflect[] user-defined level of importance of the quantitative search criteria," as required by claims 21 and 28. Rather, this citation once again refers to weighting assets by balancing the amount of funds that are invested in each asset. As the above citation directs, this "weighting" is described with reference to program flow Screen 7, which is described at column 32, line 29 to column 33, line 32. Here, Wallman describes shifting capitalization in various assets or adding or removing assets to match the user's desired level of riskiness (such as by shifting more funds to riskier assets). *See id.*, at col. 32, l. 67 - col. 33, l. 10.

In summary, while Wallman may disclose that a user can enter preferences with regard to selecting assets, it does not disclose that such preferences are anything other than typical quantitative search criteria. Furthermore, Wallman's use of the word "weight" (and derivatives thereof) is given in the context of weighting assets by investing more or less in each of the assets — that is, this term is used solely to refer to percentage distributions of funds in various assets, as shown in Figure 13 under the column "% in portfolio." The mere use of the word "weight" does not amount to a disclosure, either expressly or inherently, of weighting criteria "reflecting user-defined levels of importance for one or more of the quantitative search criteria."

In view of the foregoing, Wallman fails to disclose a system or method in which a user enters "weighting criteria reflecting user-defined level of importance of the quantitative search criteria," as recited by independent claim 21 and 28. As such,

Wallman fails to anticipate these claims under 35 U.S.C. § 102(e), and withdrawal of the claim rejections is respectfully requested.

***Wallman Fails to Disclose Generating Search Results Comprising "A First Set of Investment Funds That Do Not Satisfy All of the User-Selected Quantitative Search Criteria, But Which Satisfy the Overall User-Defined Criteria Based on the Combination of the User-Selected Weighting Criteria and the User-Selected Quantitative Criteria"***

Wallman also fails to teach or suggest a system that generates search results comprising "a first set of investment funds that do not satisfy all of the user-selected quantitative search criteria, but which satisfy the overall user-defined criteria based on the combination of the user-selected weighting criteria and the user-selected quantitative criteria," as recited by independent claims 21 and 28.

As noted above, Wallman discloses an "asset allocation model" in which investment goals are solicited from the investor, assets are selected by the investor or the system, and the system determines whether the selected assets meet the investment goals. Wallman, col. 23, l. 21 - col. 24, l. 24. If a user selects assets that do not meet the investor's risk and investment goals (along with any other criteria set by the investor), the Wallman system suggests modifications to the investor's asset selection to achieve the goals (col. 24, ll. 20-24), or recommends changing the goals (col. 24, ll. 15-17, and col. 26, ll. 29-36). Stated simply, the solution that Wallman proposes to an inability to meet all of the quantitative criteria is to **change the user's search criteria** until a group of assets can be collected to meet the criteria. *Id.* col. 24, ll. 14-17 ("suggesting an adjustment in the percentage allocation to correct for the difference so that the desired financial goals can be achieved within the constraints set by the investor"); col. 26, ll. 29-36; *and* col. 37, ll. 17-28. This is illustrated most clearly in the following passage:

> For example, if an investor specified that he wished very little risk in his portfolio, and high dividend payout, but then selected capitalization exclusively under $25 million, *the system alerts the investor to the fact that there are insufficient companies that satisfy these preferences to*

> ***create a reasonably diversified portfolio. The system then recommends that the investor permit the system to select from any size capitalization or suggest the investor change some of the other parameters that are constraining the choices, such as the dividend payout.***

*Id.*, col. 31, ll. 33-43 (emphasis added). Here it is specifically shown that the Wallman system will **not** return a set of assets that **do not** satisfy all of the user-selected quantitative search criteria, but will **instead** suggest some change to the criteria so that they can be met by the available assets. As such, this passage **does not** support the contention in the Office Action that Wallman discloses the claimed element of generating "a first set of investment funds that do not satisfy all of the user-selected quantitative search criteria, but which satisfy the overall user-defined criteria based on the combination of the user-selected weighting criteria and the user-selected quantitative criteria."[1] In fact, as explained above, Wallman does not disclose that the user can establish "weighting criteria reflecting user-defined level of importance of the quantitative search criteria" in the first place, and therefore this claim element can not be satisfied in any event.

While the foregoing mode of operation is the prevalent mode described in Wallman, Wallman also describes various alternative modes of portfolio generation. For example, Wallman discloses an investor selecting a preexisting portfolio of a person having similar demographics, or one recommended by an analyst or other person. *See id.*, col. 30, ll. 43-46; *and* col. 30, ll. 47-56. Wallman also discloses the use of collaborative filtering techniques to recommend assets purchased by investors with similar profiles. *Id.*, col. 30, l. 62 - col. 30, l. 14. None of these disclosures suggests that Wallman

[1] The Office Action cites to this passage and to column 17, line 51 for alleged support of Wallman showing this claim feature. Column 17, line 51 states "... with other securities, primarily interests in funds, and even ..." This passage, and the sentence in which it appears, also do not support the contention that Wallman discloses the claimed element.

generates "a first set of investment funds that do not satisfy all of the user-selected quantitative search criteria, but which satisfy the overall user-defined criteria based on the combination of the user-selected weighting criteria and the user-selected quantitative criteria."

The sole suggestion in Wallman that it can even produce a list of investment funds that do not satisfy all of the user's user-selected **quantitative** search criteria is at column 43, lines 50-53, where it states: "After preferences are entered, the invention will create a diversified portfolio that expertly matches, **to the extent possible**, those preferences and the asset allocation determination — all automatically." (Emphasis added.) While this passage from Wallman does speculate that its system could return a set of investments that do not entirely match the investor's **quantitative** preferences, it fails to provide the critical teaching that such a set of investments "satisfy the overall user-defined criteria based on **the combination of the user-selected weighting criteria** and the user-selected quantitative criteria." As such, this passage of Wallman still fails to anticipate this claim element.

In view of the foregoing, the Applicants respectfully submit that Wallman fails to disclose a system or method that generates search results comprising "a first set of investment funds that do not satisfy all of the user-selected quantitative search criteria, but which satisfy the overall user-defined criteria based on the combination of the user-selected weighting criteria and the user-selected quantitative criteria," as recited by independent claims 21 and 28. As such, withdrawal of the 35 U.S.C. § 102(e) claim rejections is respectfully requested for this additional reason.

*CLAIMS 22, 23, 27, 29, 30 & 34*

Claims 22, 23, 27, 29 30 and 34 all depend from independent claims 21 and 28. As explained above, Wallman fails to teach or reasonably suggest the features of "weighting criteria reflecting user-defined levels of importance for one or more of the quantitative search criteria," and generating search results comprising "a first set of

investment funds that do not satisfy all of the user-selected quantitative search criteria, but which satisfy the overall user-defined criteria based on the combination of the user-selected weighting criteria and the user-selected quantitative criteria," as recited in independent claims 21 and 28. These features are, by definition, also recited in dependent claims 22, 23, 27, 29 30 and 34. Therefore, the Applicants respectfully request withdrawal of the 35 U.S.C. § 102(e) rejections of these claims for the same reasons as set forth above with respect to claims 21 and 28.

**REJECTIONS UNDER 35 U.S.C. § 103(a)**

Claims 24 and 31 stand rejected under 35 U.S.C. § 103(a) as allegedly being anticipated by Wallman in view of O'Shaughnessy (U.S. Pat. No. 6,317,726), and claims 25, 26, 32 and 33 stand rejected under 35 U.S.C. § 103(a) as allegedly being anticipated by Wallman in view of Hambrecht *et al.* (U.S. Pat. No. 6,629,082). Three criteria must be met to establish a *prima facie* case of obviousness: (1) there must be some suggestion or motivation to modify the reference or to combine reference teachings, (2) there must be a reasonable expectation of success, and (3) the prior art references must teach or suggest all the claim limitations. *See* MPEP § 2142 *et seq.*

*CLAIMS 24 AND 31*

O'Shaughnessy discloses an electronic system for stock selection, and is incorporated into Wallman for the purpose of finding the feature of a graphical user interface operative to display the one or more investment funds in a sortable list. O'Shaughnessy fails to teach the recited elements of "weighting criteria reflecting user-defined levels of importance for one or more of the quantitative search criteria," and generating search results comprising "a first set of investment funds that do not satisfy all of the user-selected quantitative search criteria, but which satisfy the overall user-defined criteria based on the combination of the user-selected weighting criteria and the user-selected quantitative criteria." As such, O'Shaughnessy fails to cure the deficiency of the rejection of independent claims 21 and 28, from which claims 25, 26, 32 and 33

depend, and thus no *prima facie* case of obviousness exists because the combined references fail to teach or suggest all the claims limitations.

In view of the foregoing, reconsideration and withdrawal of the rejection of claims 24 and 31 based on Wallman and O'Shaughnessy are respectfully requested.

*CLAIMS 25, 26, 32 AND 33*

Hambrecht *et al.* discloses an auction system, and is incorporated into Wallman for the purpose of finding the feature of a results interface operative to receive requests for a prospectus for mutual funds, and requests for applications for mutual funds. Hambrecht *et al.* fails to teach the recited elements of "weighting criteria reflecting user-defined levels of importance for one or more of the quantitative search criteria," and generating search results comprising "a first set of investment funds that do not satisfy all of the user-selected quantitative search criteria, but which satisfy the overall user-defined criteria based on the combination of the user-selected weighting criteria and the user-selected quantitative criteria." As such, Hambrecht *et al.* fails to cure the deficiency of the rejection of independent claims 21 and 28, from which claims 25, 26, 32 and 33 depend, and thus no *prima facie* case of obviousness exists because the combined references fail to teach or suggest all the claims limitations.

In view of the foregoing, reconsideration and withdrawal of the rejection of claims 25, 26, 32 and 33 based on Wallman and Hambrecht *et al.* are respectfully requested.

## CONCLUSION

The Applicants respectfully submit that the current claims are in condition for allowance, and reconsideration of the claim rejections and allowance of the claims are respectfully requested. If the Examiner believes that prosecution might be advanced by discussing the application with Applicants' counsel, in person or by telephone, Applicants' counsel would welcome the opportunity to do so.

This reply is submitted within the 3-month shortened statutory period, and therefore no fees are believed to be due in connection herewith. In the event any fees are required, however, the Commissioner is hereby authorized to charge such fees to the undersigned's deposit account No. 50-0206.

Respectfully submitted,
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Dated: August 30, 2005

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